

MARGARET DONNELLAN TODD
COUNTY LIBRARIAN

June 8, 2004

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavy
Supervisor Michael D. Antonovich

FROM: Margaret Donnellan Todd
County Librarian

SUBJECT: **CURTAILMENT SCENARIOS**

At the April 13, 2004 Board meeting, the Board of Supervisors instructed the Library Department to prepare for the Board's consideration during budget deliberations a number of curtailment plans. In addition, the Board requested a menu of library services that individual cities or communities could purchase, as well as a list of options that cities may be able to offer as in-kind services.

At a time when the County Library is experiencing an increasing demand for service, the Library is also suffering from insufficient hours, materials and facilities. In the 1990's, due to the ERAF shift, the Library was forced to make significant reductions. With all ancillary programs and services now eliminated, any significant cuts in the 2004-05 budget must come from basic public service.

The Library staff has completed the analysis of possible curtailment plans and has concluded that there is no perfect solution. Further, it is clear that there will be no consensus among library users regarding a fair and reasonable curtailment plan. The very nature of the Library's funding base, as well as the location and size of library facilities, makes it difficult to create equity when implementing reductions. The County Library's facility service plan was implemented before Proposition 13. It was designed around a regional system, which allowed for the establishment of many small community libraries which were supported by larger nearby library facilities. This regional plan assumed sufficient funding for all facilities, and that the larger facilities would receive a larger share of the resources in return for serving as a resource for the residents living in the service areas of the smaller surrounding libraries. With the

budget reductions necessitated by the ERAF shift and the introduction of the special tax only in specific County service areas, this regional plan no longer functions as it was intended.

As reflected in the CAO's budget document, the Library Department will require \$8.8 million for the full restoration of funding. The \$8.8 million represents the CAO's recommendation to reduce the general fund contribution by \$7.2 million and the continuing loss of \$1.6 million in State PLF funding (Public Library Foundation Fund), which the Board restored in the 2003-2004 budget. The actual reduction figure for the Library may vary based on the final State budget. As of the writing of this report, in addition to the CAO's budget recommendation, possible reductions to the Library's PLF funding and property tax revenue, which are dependent on the final State budget, are still undecided.

Due to that uncertainty, the Library Department selected a \$7.2 million reduction figure solely for the purpose of the analysis and development of curtailment models. Should the Board determine that a budget reduction is necessary and the Board selects a curtailment model, the Library Department will create a final curtailment plan for the Board's approval based on the actual amount of the reduction.

The Library staff has conducted an extensive analysis of possible curtailment models. Since January, the County Library has considered approximately 30 scenarios and completed analysis of 17 versions of service curtailment models. Following the Board's motion of April 13, eight plans were selected for detailed analysis.

Although information on several plans is included in this report, the Department recommends that any curtailment plan selected be based on the Balanced Service Model. This model would close 9 small and medium size libraries and one bookmobile, implement a 35% overall reduction in library operating hours in the Library Department and reduce staff by approximately 49 full-time budgeted positions and approximately 371 part-time temporary employees. This model achieves a savings of \$6.2 million in salaries and benefits and a \$1 million savings in other support and fixed costs. This plan assumes the following:

- . Every city will receive library service equal to or greater than the property tax contributed by that city's residents. No city will receive more service than what is currently provided.

- . All special tax communities will receive the full value of their special tax contributions, and residents in those communities will continue to have access to increased services funded by the special tax.
- . Special tax library closures will be held to a minimum and only when no other logical choice exists within a geographic area. In those cases, the Library Department will ensure that the special tax dollars will be used to increase services in adjoining libraries which will be serving the residents who paid the special tax.
- . Libraries will be open no fewer than 3 days per week. Hours per week are based on size category, activity level, and special tax status. (Exceptions are based on property tax contribution level or contractual obligations.)
- . Cities where a second smaller library will be closed will have the option of using available funds to keep the smaller library open as a satellite facility. In most instances, that would require the larger facility to experience additional service reductions.
- . When possible, the Urban Bookmobile schedule will be reconfigured to serve the areas most heavily affected by the closures. However, it is important to note that bookmobile service cannot fully replace the services offered in a library facility.

Curtailment Model Analysis

The following is a discussion of eight versions of four basic curtailment models developed for this report. For all models the Department used \$7.2 million as the target reduction number.

Statistical Model (2 versions) - This approach was an attempt to develop a statistical model that identified the least cost effective facilities. The model was developed by analyzing cost per square foot for operation with a variety of library use statistics. The premise was that the least cost effective facilities should be closed, with all remaining libraries operating without significant hours reductions. After analysis, it was determined that this model was unacceptable. It was impossible to quantify and appropriately weight each factor in order to develop a valid statistical model. The most extreme version of this model would close 24 libraries and 3 bookmobiles with a 29% overall reduction in library operating hours. There would be a loss of approximately 60 budgeted full-time positions and 204 temporary part-time employees.

Special Tax Libraries Model (2 Versions) - Two plans were developed to spare all special tax libraries from reductions. The second version of this model also spared from closure any city library that had placed the special tax on the ballot in 2004. In this second model, eight non-special tax libraries are closed and no special tax library suffers any hours reductions. Under this plan, there would be approximately 68 full-time employees laid off, approximately 259 part-time layoffs and a 21 % overall reduction of operating hours. It is important to note that this plan will place the burden of all service reductions on only 50% of the County's libraries. As a result, there is a geographic service imbalance. In addition, larger facilities with more books and computers are closed significant hours, while small neighboring libraries with limited study areas; few computers and smaller book collections remain open. It is doubtful that these small facilities could absorb the increased use from neighboring library service areas. When applied throughout the County, this model would seriously disrupt service. Also, it is essential to recognize that special tax revenue alone cannot support a community library. With the exception of 4 libraries, all community libraries are supported by a combination of property tax and general fund support.

Balanced Service Model (4 Versions) - The staff worked on four versions of this model and is recommending the fourth version. The first three versions considered a variety of approaches: no library closures, partial protection of special tax libraries, etc., but each version created specific service problems. The recommended fourth version of the model calls for the closure of 9 libraries and 1 bookmobile. There is a mix of special tax and non-special tax closures which takes into consideration the special circumstances in each geographic area.

This model represents a balanced approach that attempts to address a number of competing issues. All closed facilities are within three miles of another County library or within a city with another library; all cities receive the full value of their property tax contribution and all special tax communities will receive the full value of their special tax contribution. Special tax libraries were only selected for closure when no other reasonable alternative existed. Hours are reduced at almost all facilities but this plan maintains at least a minimum level of service at all open facilities. Full-time employees will be asked to staff no more than two libraries in a week.

Each potential closure of a special tax library must be considered on an individual basis. The Department will need to demonstrate that a community served by a special tax library considered for closure will still receive value from their special tax contribution in the form of increased services funded by the special tax.

Optional Services for Cities

In addition to a closure plan, the Board requested information regarding how cities could purchase additional service or trade in-kind service for library service. The following is a list of services that can be offered to the cities:

- . Hours
 - Additional day of service
 - Increased shift (minimum of three hours)
 - Sunday service
- . Maintenance
 - Facility maintenance such as painting, carpeting, repairs, etc.
 - Increased custodial service, e.g., service during open hours
- . Programming
 - Additional children's programs
 - Expanded outreach to schools
- . Materials
 - Purchase of additional books, audio-visual formats, electronic databases
- . Equipment
 - Replacement of furniture and equipment

Should curtailments be approved by the Board, the County Librarian will immediately provide each city with a specific list of options available for restoring service for their library. The cost per city will vary based on each library's unique square footage, hours and usage patterns.

In-Kind Services

Rather than purchase additional service, some cities may be in the position to provide in-kind service that will free County funds. The obvious choices would be grounds maintenance and custodial work and, in a few cases, the waiving of lease payments. Each city's plan would be negotiated on a case by case basis.

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Conclusion

No curtailment plan will be equally acceptable to all the communities that the Library serves. The Balanced Service Model presents a reasonable approach to permanent service reductions. Attached is a more detailed description of the curtailment models. The Library Department can provide any additional information that may be required. Upon approval by the Board of the amount of reduction and the curtailment model, the Library Department will prepare the final curtailment plan for Board approval. In addition, each city will be notified regarding the impact of the curtailment and the options available to cities for service restoration.

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Attachments

C: Chief Administrative Officer
 County Counsel
 Executive Officer, Board of Supervisors